#### SECOND REGULAR SESSION

### HOUSE COMMITTEE SUBSTITUTE FOR

# **HOUSE BILL NO. 2416**

## 98TH GENERAL ASSEMBLY

6209H.03C

D. ADAM CRUMBLISS, Chief Clerk

## AN ACT

To repeal sections 56.363, 56.805, 56.807, 56.814, 56.818, 56.833, 56.840, 86.200, 86.207, 86.210, 86.253, 86.267, 86.290, and 86.360, RSMo, and to enact in lieu thereof fourteen new sections relating to public employee retirement systems.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Sections 56.363, 56.805, 56.807, 56.814, 56.818, 56.833, 56.840, 86.200, 86.207, 86.210, 86.253, 86.267, 86.290, and 86.360, RSMo, are repealed and fourteen new 3 sections enacted in lieu thereof, to be known as sections 56.363, 56.805, 56.807, 56.814, 56.818, 56.833, 56.840, 86.200, 86.207, 86.210, 86.253, 86.267, 86.290, and 86.360, to read as follows: 56.363. 1. The county commission of any county may on its own motion and shall upon the petition of ten percent of the total number of people who voted in the previous general 3 election in the county submit to the voters at a general or special election the proposition of making the county prosecutor a full-time position. The commission shall cause notice of the 5 election to be published in a newspaper published within the county, or if no newspaper is published within the county, in a newspaper published in an adjoining county, for three weeks consecutively, the last insertion of which shall be at least ten days and not more than thirty days before the day of the election, and by posting printed notices thereof at three of the most public 9 places in each township in the county. The proposition shall be put before the voters 10 substantially in the following form: 11 12  $\square$  YES  $\square$  NO 13 If a majority of the voters voting on the proposition vote in favor of making the county 14 prosecutor a full-time position, it shall become effective upon the date that the prosecutor who 15

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

HCS HB 2416

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is elected at the next election subsequent to the passage of such proposal is sworn into office.

The position shall then qualify for the retirement benefits available to a full-time prosecutor of a county of the first classification. Any county that elects to make the position of prosecuting attorney full-time shall pay into the Missouri prosecuting attorneys and circuit attorneys' retirement fund at the same contribution amount as paid by counties of the first classification.

- 2. The provisions of subsection 1 of this section notwithstanding, in any county where the proposition of making the county prosecutor a full-time position was submitted to the voters at a general election in 1998 and where a majority of the voters voting on the proposition voted in favor of making the county prosecutor a full-time position, the proposition shall become effective on May 1, 1999. Any prosecuting attorney whose position becomes full time on May 1, 1999, under the provisions of this subsection shall have the additional duty of providing not less than three hours of continuing education to peace officers in the county served by the prosecuting attorney in each year of the term beginning January 1, 1999.
- 3. In counties that, prior to August 28, 2001, have elected pursuant to this section to make the position of prosecuting attorney a full-time position, the county commission may at any time elect to have that position also qualify for the retirement benefit available for a full-time prosecutor of a county of the first classification. Such election shall be made by a majority vote of the county commission and once made shall be irrevocable, unless the voters of the county elect to change the position of prosecuting attorney back to a part-time position under subsection 4 of this section. When such an election is made, the results shall be transmitted to the Missouri prosecuting attorneys and circuit attorneys' retirement system fund, and the election shall be effective on the first day of January following such election. Such election shall also obligate the county to pay into the Missouri prosecuting attorneys and circuit attorneys' system retirement fund the same retirement contributions for full-time prosecutors as are paid by counties of the first classification.
- 4. In any county of the third classification without a township form of government and with more than twelve thousand but fewer than fourteen thousand inhabitants and with a city of the fourth classification with more than one thousand seven hundred but fewer than one thousand nine hundred inhabitants as the county seat that has elected to make the county prosecutor a full-time position under this section after August 28, 2014, the county commission may on its own motion and shall upon the petition of ten percent of the total number of people who voted in the previous general election in the county submit to the voters at a general or special election the proposition of changing the full-time prosecutor position to a part-time position. The commission shall cause notice of the election to be published in a newspaper published within the county, or if no newspaper is published within the county, in a newspaper published in an

adjoining county, for three weeks consecutively, the last insertion of which shall be at least ten days and not more than thirty days before the day of the election, and by posting printed notices thereof at three of the most public places in each township in the county. The proposition shall be put before the voters substantially in the following form:

Shall the office of prosecuting attorney be made a part-time position in ......... County?  $\Box$  YES  $\Box$  NO

If a majority of the voters vote in favor of making the county prosecutor a part-time position, it shall become effective upon the date that the prosecutor who is elected at the next election subsequent to the passage of such proposal is sworn into office.

5. In any county that has elected to make the full-time position of county prosecutor a part-time position under subsection 4 of this section, the county's retirement contribution to the retirement system and the retirement benefit earned by the member shall prospectively be that of a part-time prosecutor as established in this chapter. Any retirement contribution made and retirement benefit earned prior to the effective date of the voter-approved proposition under subsection 4 of this section shall be maintained by the retirement system and used to calculate the retirement benefit for such prior full-time position service. Under no circumstances shall a member in a part-time prosecutor position earn full-time position retirement benefit service accruals for time periods after the effective date of the proposition changing the county prosecutor back to a part-time position.

56.805. As used in sections 56.800 to 56.840, the following words and terms mean:

- (1) "Annuity", annual payments, made in equal monthly installments, to a retired member from funds provided for, in, or authorized by, the provisions of sections 56.800 to 56.840;
- (2) "Average final compensation", the average compensation of an employee for the two consecutive years prior to retirement when the employee's compensation was greatest;
- (3) "Board of trustees" or "board", the board of trustees established by the provisions of sections 56.800 to 56.840;
- (4) "Compensation", all salary and other compensation payable by a county to an employee for personal services rendered as an employee, including any salary reduction amounts under a cafeteria plan that satisfies 26 U.S.C. Section 125 or an eligible deferred compensation plan that satisfies 26 U.S.C. Section 457 but not including [travel and mileage] reimbursement for any expenses, any consideration for agreeing to terminate employment, or any other nonrecurring or unusual payment that is not part of regular remuneration;
  - (5) "County", the city of St. Louis and each county in the state;

**HCS HB 2416** 4

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and for no other purpose.

16 (6) "Creditable service", the sum of both membership service and creditable prior 17 service;

- (7) "Effective date of the establishment of the system", August 28, 1989;
- (8) "Employee", an elected or appointed prosecuting attorney or circuit attorney who is 19 20 employed by a county or a city not within a county;
- 21 (9) "Membership service", service as a prosecuting attorney or circuit attorney after 22 becoming a member that is creditable in determining the amount of the member's benefits under 23 this system;
  - (10) "Prior service", service of a member rendered prior to the effective date of the establishment of the system which is creditable under section 56.823;
- 26 (11) "Retirement system" or "system", the prosecuting attorneys and circuit attorneys' 27 retirement system authorized by the provisions of sections 56.800 to 56.840.
  - 56.807. 1. Beginning August 28, 1989, and continuing monthly thereafter until August 27, 2003, the funds for prosecuting attorneys and circuit attorneys provided for in subsection 2 of this section shall be paid from county or city funds.
  - 2. Beginning August 28, 1989, and continuing monthly thereafter until August 27, 2003, each county treasurer shall pay to the system the following amounts to be drawn from the general revenues of the county:
  - (1) For counties of the third and fourth classification except as provided in subdivision (3) of this subsection, three hundred seventy-five dollars;
  - (2) For counties of the second classification, five hundred forty-one dollars and sixtyseven cents;
  - (3) For counties of the first classification, and, except as otherwise provided under section 56.363, counties which pursuant to section 56.363 elect to make the position of prosecuting attorney a full-time position after August 28, 2001, or whose county commission has elected a full-time retirement benefit pursuant to subsection 3 of section 56.363, and the city of St. Louis, one thousand two hundred ninety-one dollars and sixty-seven cents.
- 3. Beginning August 28, 1989, and continuing until August 27, 2003, the county treasurer shall at least monthly transmit the sums specified in subsection 2 of this section to the Missouri office of prosecution services for deposit to the credit of the "Missouri Prosecuting Attorneys and Circuit Attorneys' Retirement System Fund", which is hereby created. All moneys 20 held by the state treasurer on behalf of the system shall be paid to the system within ninety days after August 28, 1993. Moneys in the Missouri prosecuting attorneys and circuit attorneys' 22 retirement system fund shall be used only for the purposes provided in sections 56.800 to 56.840

**HCS HB 2416** 5

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24 4. Beginning August 28, 2003, the funds for prosecuting attorneys and circuit attorneys 25 provided for in this section shall be paid from county or city funds and the surcharge established 26 in this section and collected as provided by this section and sections 488.010 to 488.020.

- 5. (1) Beginning August 28, 2003, each county treasurer shall pay to the system the following amounts to be drawn from the general revenues of the county:
- (a) For counties of the third and fourth classification except as provided in paragraph (c) of this subdivision, one hundred eighty-seven dollars;
  - (b) For counties of the second classification, two hundred seventy-one dollars;
- (c) For counties of the first classification, counties which pursuant to section 56.363 elect to make the position of prosecuting attorney a full-time position after August 28, 2001, or whose county commission has elected a full-time retirement benefit pursuant to subsection 3 of section 56.363, and the City of St. Louis, six hundred forty-six dollars.
- (2) Beginning August 28, 2015, the county contribution set forth in paragraphs (a) to (c) of subdivision (1) of this subsection shall be adjusted in accordance with the following schedule based upon the prosecuting attorneys and circuit attorneys' retirement system's annual actuarial valuation report. If the system's funding ratio is:
  - (a) One hundred twenty percent or more, no monthly sum shall be transmitted;
- (b) More than one hundred ten percent but less than one hundred twenty percent, the monthly sum transmitted shall be reduced fifty percent;
- (c) At least ninety percent and up to and including one hundred ten percent, the monthly sum transmitted shall remain the same;
- (d) At least eighty percent and less than ninety percent, the monthly sum transmitted shall be increased fifty percent; and
- (e) Less than eighty percent, the monthly sum transmitted shall be increased one hundred percent.
- 6. Beginning August 28, 2003, the county treasurer shall at least monthly transmit the sums specified in subsection 5 of this section to the Missouri office of prosecution services for deposit to the credit of the Missouri prosecuting attorneys and circuit attorneys' retirement system fund. Moneys in the Missouri prosecuting attorneys and circuit attorneys' retirement system fund shall be used only for the purposes provided in sections 56.800 to 56.840, and for no other purpose.
- 7. Beginning August 28, 2003, the following surcharge for prosecuting attorneys and circuit attorneys shall be collected and paid as follows:
- (1) There shall be assessed and collected a surcharge of four dollars in all criminal cases 58 filed in the courts of this state including violation of any county ordinance, any violation of 59 criminal or traffic laws of this state, including infractions, and against any person who has pled

HCS HB 2416 6

guilty for any violation and paid a fine through a fine collection center, but no such surcharge shall be assessed when the costs are waived or are to be paid by the state, county, or municipality or when a criminal proceeding or the defendant has been dismissed by the court. For purposes of this section, the term "county ordinance" shall include any ordinance of the City of St. Louis;

- (2) The clerk responsible for collecting court costs in criminal cases shall collect and disburse such amounts as provided by sections 488.010 to 488.026. Such funds shall be payable to the prosecuting attorneys and circuit attorneys' retirement fund. Moneys credited to the prosecuting attorneys and circuit attorneys' retirement fund shall be used only for the purposes provided for in sections 56.800 to 56.840 and for no other purpose.
- 8. The board may accept gifts, donations, grants and bequests from private or public sources to the Missouri prosecuting attorneys and circuit attorneys' retirement system fund.
- 9. No state moneys shall be used to fund section 56.700 and sections 56.800 to 56.840 unless provided for by law.
- 10. Beginning January first following the effective date of this section, all members, who upon vesting and retiring are eligible to receive a normal annuity equal to fifty percent of the final average compensation and, as a condition of participation, shall contribute two percent of their gross salary to the fund. Each county treasurer shall deduct the appropriate amount from the gross salary of the prosecuting attorney or circuit attorney and, at least monthly, shall transmit the sum to the prosecuting attorney and circuit attorneys retirement system for deposit in the prosecuting attorneys and circuit attorneys' retirement fund.
- 11. Upon separation from the system, a nonvested member shall receive a lump sum payment equal to the total contribution of the member without interest or other increases in value.
- 12. Upon retirement and in the sole discretion of the board on the advice of the actuary, a member shall receive a lump sum payment equal to the total contribution of the member without interest or other increases in value. This amount shall be in addition to any retirement benefits to which the member is entitled.
- 13. Upon the death of a nonvested member or the death of a vested member prior to retirement, the lump sum payment in subsection 11 or 12 of this section shall be made to the designated beneficiary of the member or, if no beneficiary has been designated, to the member's estate.
- 56.814. **1.** Any member who has attained the age of sixty-two years and who has twelve years or more of creditable service as prosecuting attorney or circuit attorney **by the effective** date of this section may retire with a normal annuity.

- 2. Any member who does not have at least twelve years of creditable service by the effective date of this section may retire with a normal annuity upon attaining the age of sixty-five years and accruing at least twelve years of creditable service.
- 56.818. 1. Each member who retires on or after August 28, 1989, shall receive each year an increase in the amount of benefits received by the member during the preceding year equal to the increase in the consumer price index calculated in the manner hereinafter provided [not to exceed] of at least two percent and not to exceed four percent in any year. The total increase in the amount of benefits received pursuant to the provisions of this subsection shall not exceed fifty percent of the initial benefit which the member received upon retirement.
- 2. For the purposes of this section, any increase in the consumer price index shall be determined by the board in May of each year, based upon the consumer price index for the preceding calendar year over the consumer price index for the calendar year immediately prior thereto. Any increase so determined shall be applied by the board in calculating any benefit increases that become payable under this section for the twelve-month period beginning with the June first immediately following such determination.
- 3. An annual increase shall be payable monthly beginning on a date specified by the board. Nothing in this section shall be construed to prohibit a member from waiving his right to receive the annual increase provided pursuant to this section. The waiver shall be final as to the annual increase waived.
- 56.833. 1. Upon termination of employment, any member with twelve or more years of creditable service on the effective date of this section shall be entitled to a deferred normal annuity, payable at age fifty-five with twelve or more years of creditable service. Any member with less than twelve years of creditable service on the effective date of this section shall be entitled to a deferred normal annuity, payable at age sixty with twelve or more years of creditable service. Any member with less than twelve years of creditable service shall forfeit all rights in the fund, including the member's accrued creditable service as of the date of the member's termination of employment.
- 2. A former member who has forfeited creditable service may have the creditable service restored by again becoming an employee [and] within two years of the date of the termination of employment, completing four years of continuous membership service, and contributing an amount to the fund equal to any lump sum payment received under subsections 11 and 12 of section 56.807. Notwithstanding any other provision of section 104.800 to the contrary, a former member shall not be entitled to transfer creditable service into this retirement system unless the member previously vested in this system.
- 3. Absences for sickness or injury of less than twelve months shall be counted as membership service.

- 56.840. **1.** Annuity payments to retired employees under the provisions of sections 56.800 to 56.840 shall be available beginning January first next succeeding the expiration of two calendar years from the effective date of the establishment of the system to eligible retired employees, and employees with at least twelve years of creditable service shall have vested rights and upon reaching the required age shall be entitled to retirement benefits.
  - 2. All members serving as a prosecuting attorney or circuit attorney in a county of the first classification or a city not within a county shall receive one year of creditable service for each year served.
  - 3. Members serving as a prosecuting attorney in counties that elected to make the position of prosecuting attorney a full-time position shall receive one year of creditable service for each year served as a full-time prosecuting attorney and six-tenths of a year of creditable service for each year served as a part-time prosecuting attorney.
  - 4. Members restoring creditable service under subsection 2 of section 56.833 shall receive one year of creditable service for each restored year served as a full-time prosecuting attorney and six-tenths of a year of creditable service for each restored year served as a part-time prosecuting attorney. Unless otherwise permitted by law, no member shall receive credit for any partial year of employment.
  - 5. Notwithstanding any provision of the law to the contrary, any member who vested in the system as a part-time prosecuting attorney and who ceased being a member for more than six months before returning as a full-time prosecuting attorney shall be entitled only to retirement benefits as a part-time prosecuting attorney. Any creditable service earned by such an employee upon returning to the system shall begin a new vesting period subject to the provision of the system in effect at the time of the member's return. No member shall receive benefits while employed as a prosecuting attorney or circuit attorney.

86.200. The following words and phrases as used in sections 86.200 to 86.366, unless a different meaning is plainly required by the context, shall have the following meanings:

- (1) "Accumulated contributions", the sum of all mandatory contributions deducted from the compensation of a member and credited to the member's individual account, together with members' interest thereon;
- 6 (2) "Actuarial equivalent", a benefit of equal value when computed upon the basis of mortality tables and interest assumptions adopted by the board of trustees;
  - (3) "Average final compensation":
- 9 (a) With respect to a member who earns no creditable service on or after October 1, 10 2001, the average earnable compensation of the member during the member's last three years of

creditable service as a police officer, or if the member has had less than three years of creditable service, the average earnable compensation of the member's entire period of creditable service;

- (b) With respect to a member who is not participating in the DROP pursuant to section 86.251 on October 1, 2001, who did not participate in the DROP at any time before such date, and who earns any creditable service on or after October 1, 2001, the average earnable compensation of the member during the member's last two years of creditable service as a [policeman] police officer, or if the member has had less than two years of creditable service, then the average earnable compensation of the member's entire period of creditable service;
- (c) With respect to a member who is participating in the DROP pursuant to section 86.251 on October 1, 2001, or whose participation in DROP ended before such date, who returns to active participation in the system pursuant to section 86.251, and who terminates employment as a police officer for reasons other than death or disability before earning at least two years of creditable service after such return, the portion of the member's benefit attributable to creditable service earned before DROP entry shall be determined using average final compensation as defined in paragraph (a) of this subdivision; and the portion of the member's benefit attributable to creditable service earned after return to active participation in the system shall be determined using average final compensation as defined in paragraph (b) of this subdivision;
- (d) With respect to a member who is participating in the DROP pursuant to section 86.251 on October 1, 2001, or whose participation in the DROP ended before such date, who returns to active participation in the system pursuant to section 86.251, and who terminates employment as a police officer after earning at least two years of creditable service after such return, the member's benefit attributable to all of such member's creditable service shall be determined using the member's average final compensation as defined in paragraph (b) of this subdivision;
- (e) With respect to a member who is participating in the DROP pursuant to section 86.251 on October 1, 2001, or whose participation in DROP ended before such date, who returns to active participation in the system pursuant to section 86.251, and whose employment as a police officer terminates due to death or disability after such return, the member's benefit attributable to all of such member's creditable service shall be determined using the member's average final compensation as defined in paragraph (b) of this subdivision; and
- (f) With respect to the surviving spouse or surviving dependent child of a member who earns any creditable service on or after October 1, 2001, the average earnable compensation of the member during the member's last two years of creditable service as a police officer or, if the member has had less than two years of creditable service, the average earnable compensation of the member's entire period of creditable service;
  - (4) "Beneficiary", any person in receipt of a retirement allowance or other benefit;

HCS HB 2416 10

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47 (5) "Board of trustees", the board provided in sections 86.200 to 86.366 to administer the retirement system;

- 49 (6) "Creditable service", prior service plus membership service as provided in sections 50 86.200 to 86.366;
  - (7) "DROP", the deferred retirement option plan provided for in section 86.251;
  - (8) "Earnable compensation", the annual salary established under section 84.160 which a member would earn during one year on the basis of the member's rank or position plus any additional compensation for academic work and shift differential that may be provided by any official or board now or hereafter authorized by law to employ and manage a permanent police force in such cities. Such amount shall include the member's deferrals to a deferred compensation plan pursuant to Section 457 of the Internal Revenue Code or to a cafeteria plan pursuant to Section 125 of the Internal Revenue Code or, effective October 1, 2001, to a transportation fringe benefit program pursuant to Section 132(f)(4) of the Internal Revenue Code. Earnable compensation shall not include a member's additional compensation for overtime, standby time, court time, nonuniform time or unused vacation time. Notwithstanding the foregoing, the earnable compensation taken into account under the plan established pursuant to sections 86.200 to 86.366 with respect to a member who is a noneligible participant, as defined in this subdivision, for any plan year beginning on or after October 1, 1996, shall not exceed the amount of compensation that may be taken into account under Section 401(a)(17) of the Internal Revenue Code, as adjusted for increases in the cost of living, for such plan year. For purposes of this subdivision, a "noneligible participant" is an individual who first becomes a member on or after the first day of the first plan year beginning after the earlier of:
    - (a) The last day of the plan year that includes August 28, 1995; or
    - (b) December 31, 1995;
    - (9) "Internal Revenue Code", the federal Internal Revenue Code of 1986, as amended;
  - (10) "Mandatory contributions", the contributions required to be deducted from the salary of each member who is not participating in DROP in accordance with section 86.320;
  - (11) "Medical board", the health care organization appointed by the trustees of the police retirement board and responsible for arranging and passing upon all medical examinations required under the provisions of sections 86.200 to 86.366, which shall investigate all essential statements and certificates made by or on behalf of a member in connection with an application for disability retirement and shall report in writing to the board of trustees its conclusions and recommendations;
- 80 (12) "Member", a member of the retirement system as defined by sections 86.200 to 81 86.366;

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- 82 (13) "Members' interest", interest on accumulated contributions at such rate as may be 83 set from time to time by the board of trustees;
  - (14) "Membership service", service as a [policeman] **police officer** rendered since last becoming a member, except in the case of a member who has served in the Armed Forces of the United States and has subsequently been reinstated as a [policeman] **police officer**, in which case "membership service" means service as a [policeman] **police officer** rendered since last becoming a member prior to entering such armed service;
- 89 (15) "Plan year" or "limitation year", the twelve consecutive-month period beginning 90 each October first and ending each September thirtieth;
  - (16) ["Policeman" or] "Police officer", any member of the police force of such cities who holds a rank in such police force;
  - (17) "Prior service", all service as a [policeman] **police officer** rendered prior to the date the system becomes operative or prior to membership service which is creditable in accordance with the provisions of sections 86.200 to 86.366;
  - (18) "Reserve officer", any member of the police reserve force of such cities, armed or unarmed, who works less than full time, without compensation, and who, by his or her assigned function or as implied by his or her uniform, performs duties associated with those of a police officer and who currently receives a service retirement as provided by sections 86.200 to 86.366;
  - (19) "Retirement allowance", annual payments for life as provided by sections 86.200 to 86.366 which shall be payable in equal monthly installments or any benefits in lieu thereof granted to a member upon termination of employment as a police officer and actual retirement;
- 103 (20) "Retirement system", the police retirement system of the cities as defined in sections 86.200 to 86.366;
- 105 (21) "Surviving spouse", the surviving spouse of a member who was the member's spouse at the time of the member's death.
  - 86.207. 1. Except as provided herein, all persons who become [policemen] police officers and all [policemen] police officers who enter or reenter the service of any city not within a county after the first day of October, 1957, become members as a condition of their employment and shall receive no pensions or retirement allowance from any other pension or retirement system supported wholly or in part by the city not within a county or the state of Missouri, nor shall they be required to make contributions under any other pension or retirement system of the city not within a county or the state of Missouri for the same period of service, anything to the contrary notwithstanding. Any employee of a city not within a county who is earning creditable service in a retirement plan established by said city under section 95.540 and subsequently becomes a [policeman] police officer may elect to remain a member of said retirement plan and shall not be required to become a member of a police retirement system

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established under [section] sections 86.200 to 86.366. However, an employee of a city not 13 within a county who is earning creditable service in a retirement plan established by said city under section 95.540 and who subsequently becomes a [policeman] police officer may elect to transfer membership and creditable service to the police retirement system created under 15 [section] sections 86.200 to 86.366. Such transfers are subject to the conditions and 17 requirements contained in section 105.691 and are also subject to any existing agreements 18 between the said retirement plans; provided however, transfers completed [prior to January 1, 19 2016,] within one year of becoming a police officer shall occur without regard to the vesting 20 requirements of the receiving plan contained in section 105.691. As part of the transfer process 21 described herein, the respective retirement plans may require the employee to acknowledge and agree as a condition of transfer that any election made under this section is irrevocable, 22 23 constitutes a waiver of any right to receive retirement and disability benefits except as provided 24 by the police retirement system, and that plan terms may be modified in the future.

- 2. If any member ceases to be in service for more than one year unless the member has attained the age of fifty-five or has twenty years or more of creditable service, or if the member withdraws the member's accumulated contributions or if the member receives benefits under the retirement system or dies, the member thereupon ceases to be a member; except in the case of a member who has served in the Armed Forces of the United States and has subsequently been reinstated as a [policeman] **police officer**. A member who has terminated employment as a police officer, has actually retired and is receiving retirement benefits under the system shall be considered a retired member.
- 3. A reserve officer shall not be considered a member of the system for the purpose of determining creditable service, nor shall any contributions be due. A reserve officer shall not be entitled to any benefits from the system other than those awarded when the reserve officer originally retired under section 86.250, nor shall service as a reserve officer prohibit distribution of those benefits.
- 86.210. 1. Under such rules and regulations as the board of trustees shall adopt, each member who was a [policeman] **police officer** on and prior to the date the retirement system becomes operative and who becomes a member within one year from such date and each member who was a [policeman] **police officer** prior to reentering the service of the city as a [policeman] **police officer** rendered by the member prior to the date the retirement system becomes operative or prior to the date of last becoming a member, for which the member claims credit. If such member has withdrawn the member's accumulated contributions prior to reentering said service, then the member shall repay all such accumulated contributions plus the applicable members' interest

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thereon from the date of withdrawal to the date of repayment in order to receive credit for such prior service.

- 2. The board of trustees shall fix and determine by proper rules and regulations how much service in any year is equivalent to one year of service, but in no case shall more than one year of service be creditable for all service in one calendar year, nor shall the board of trustees allow credit as service for any period of more than one month's duration during which the member was absent without pay.
- 3. Subject to the above restrictions and to such other rules and regulations as the board of trustees may adopt, the board of trustees shall verify the service claims as soon as practicable after the filing of such statement of service.
- 4. Upon verification of the statements of service the board of trustees shall issue prior service certificates, certifying to each member the length of prior service with which the member is credited on the basis of such member's statement of service. So long as the holder of such a certificate continues to be a member, a prior service certificate shall be final and conclusive for retirement purposes as to such service; provided, however, that any member may, within one year from the date of issuance or modification of such certificate, request the board of trustees to modify or correct such prior service certificate. When any [policeman] **police officer** ceases to be a member, the former member's prior service certificate shall become void. Should the former member again become a member, the former member shall enter the retirement system as a member not entitled to prior service credit except as provided in sections 86.200 to 86.366.
- 5. Creditable service at retirement on which the retirement allowance of a member shall be based shall consist of the membership service rendered by the member since last becoming a member and also if the member has a prior service certificate which is in full force and effect, the amount of the service certified on such prior service certificate.
- 86.253. 1. Upon termination of employment as a police officer and actual retirement for service, a member shall receive a service retirement allowance which shall be an amount equal 3 to two percent of the member's average final compensation multiplied by the number of years of the member's creditable service, up to twenty-five years, plus an amount equal to four percent 5 of the member's average final compensation for each year of creditable service in excess of twenty-five years but not in excess of thirty years; plus an additional five percent of the member's average final compensation for any creditable service in excess of thirty years. Notwithstanding the foregoing, the service retirement allowance of a member who does not earn any creditable service after August 11, 1999, shall not exceed an amount equal to seventy percent of the member's average final compensation, and the service retirement allowance of a member who 10 11 earns creditable service on or after August 12, 1999, shall not exceed an amount equal to seventy-five percent of the member's average final compensation; provided, however, that the

service retirement allowance of a member who is participating in the DROP pursuant to section 86.251 on August 12, 1999, who returns to active participation in the system pursuant to section 86.251, and who terminates employment as a police officer and actually retires for reasons other than death or disability before earning at least two years of creditable service after such return shall be the sum of (1) the member's service retirement allowance as of the date the member entered DROP and (2) an additional service retirement allowance based solely on the creditable service earned by the member following the member's return to active participation. The member's total years of creditable service shall be taken into account for the purpose of determining whether the additional allowance attributable to such additional creditable service is two percent, four percent or five percent of the member's average final compensation.

- 2. If, at any time since first becoming a member of the retirement system, the member has served in the Armed Forces of the United States, and has subsequently been reinstated as a [policeman] **police officer** within ninety days after the member's discharge, the member shall be granted credit for such service as if the member's service in the police department of such city had not been interrupted by the member's induction into the Armed Forces of the United States. If earnable compensation is needed for such period in computation of benefits it shall be calculated on the basis of the compensation payable to the officers of the member's rank during the period of the member's absence. Notwithstanding any provision of sections 86.200 to 86.366 to the contrary, the retirement system governed by sections 86.200 to 86.366 shall be operated and administered in accordance with the applicable provisions of the Uniformed Services Employment and Reemployment Rights Act of 1994, as amended.
- 3. The service retirement allowance of each present and future retired member who terminated employment as a police officer and actually retired from service after attaining age fifty-five or after completing twenty years of creditable service shall be increased annually at a rate not to exceed three percent as approved by the board of trustees beginning with the first increase in the second October following the member's retirement and subsequent increases in each October thereafter, provided that each increase is subject to a determination by the board of trustees that the consumer price index (United States City Average Index) as published by the United States Department of Labor shows an increase of not less than the approved rate during the latest twelve-month period for which the index is available at the date of determination; and provided further, that if the increase is in excess of the approved rate for any year, such excess shall be accumulated as to any retired member and increases may be granted in subsequent years subject to a maximum of three percent for each full year from October following the member's retirement but not to exceed a total percentage increase of thirty percent. In no event shall the increase described under this subsection be applied to the amount, if any, paid to a member or surviving spouse of a deceased member for services as a special consultant under subsection 5

- of this section [or, if applicable, subsection 6 of this section]. If the board of trustees determines that the index has decreased for any year, the benefits of any retired member that have been increased shall be decreased but not below the member's initial benefit. No annual increase shall be made of less than one percent and no decrease of less than three percent except that any decrease may be limited in amount by the initial benefit.
  - 4. In addition to any other retirement allowance payable under this section and section 86.250, a member, upon termination of employment as police officer and actual service retirement, may request payment of the total amount of the member's mandatory contributions to the retirement system without interest. Upon receipt of such request, the board shall pay the retired member such total amount of the member's mandatory contributions to the retirement system to be paid pursuant to this subsection within sixty days after such retired member's date of termination of employment as a police officer and actual retirement.
  - 5. Any person who is receiving retirement benefits from the retirement system, upon application to the board of trustees, shall be made, constituted, appointed and employed by the board of trustees as a special consultant on the problems of retirement, aging and other matters, for the remainder of the person's life or, in the case of a deceased member's surviving spouse, until the earlier of the person's death or remarriage, and upon request of the board of trustees shall give opinions and be available to give opinions in writing or orally, in response to such requests, as may be required. For such services the special consultant shall be compensated monthly, in an amount which, when added to any monthly retirement benefits being received from the retirement system, including any cost-of-living increases under subsection 3 of this section, shall total six hundred fifty dollars a month. This employment shall in no way affect any person's eligibility for retirement benefits under this chapter, or in any way have the effect of reducing retirement benefits, notwithstanding any provisions of law to the contrary.
  - 86.267. 1. Upon termination of employment as a police officer and actual retirement for accidental disability, other than permanent total disability as defined in subsection 2, a member shall receive a retirement allowance of seventy-five percent of the member's average final compensation.
  - 2. Any member who, as the natural and proximate result of an accident occurring at some definite time and place in the actual performance of the member's duty through no negligence on the member's part, is permanently and totally incapacitated from performing any work, occupation or vocation of any kind whatsoever shall receive a retirement allowance as under subsection 1 or, in the discretion of the board of trustees, may receive a larger retirement allowance in an amount not exceeding the member's rate of compensation as a [policeman] **police officer** in effect as of the date the allowance begins.

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- 12 3. The board of trustees, in its discretion, may, in addition to the allowance granted in 13 accordance with the provisions of subsections 1 and 2, grant an allowance in an amount to be 14 determined by the board of trustees, to provide such member with surgical, medical and hospital 15 care reasonably required after retirement, which are the result and in consequence of the accident 16 causing such disability.
  - 4. Any person who is receiving benefits pursuant to subsection 2 of this section on or after August 28, 1997, and any person who is receiving benefits pursuant to subsection 1 of this section on or after October 1, 2001, and who made mandatory contributions to the retirement system, upon application to the board of trustees, shall be made, constituted, appointed and employed by the board of trustees as a special consultant on the problems of retirement, aging and other matters, and upon request of the board of trustees shall give opinions and be available to give opinions in writing or orally, in response to such requests, as may be required. For such services the retired member shall be paid a lump sum payment in an amount equal to the total amount of the member's mandatory contributions to the retirement system, without interest, within sixty days after approval of the retired member's application by the board of trustees.

86.290. Should a member cease to be a [policeman] police officer except by death or actual retirement, the member may request payment of the amount of the accumulated contributions standing to the credit of the member's individual account, including members' interest, in which event such amount shall be paid to the member not later than one year after the member ceases to be a [policeman] police officer. If the former member is reemployed as a [policeman] police officer before any portion of such former member's accumulated contributions is distributed, no distribution shall be made. If the former member is reemployed 7 as a [policeman] police officer after a portion of the former member's accumulated contributions is distributed, the amount remaining shall also be distributed.

86.360. The board of trustees provided for by section 86.213 is hereby authorized to consolidate, combine and transfer funds provided by sections 86.010 to 86.193 with the funds provided by sections 86.200 to 86.366 in such a manner as will simplify the operations of the two systems. Separate records shall be maintained only to the extent necessary to determine and pay the benefits provided by sections 86.010 to 86.193 for those [policemen] police officers electing not to become members of the retirement system provided by sections 86.200 to 86.366. The board of trustees may accept the membership records of the older system in lieu of the requirements in section 86.210. The board of trustees may authorize the use of the same actuarial assumptions and interest rate in the calculation of the contributions by the cities for both systems and the accrued liability rate may be a combined rate for both systems.